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## **Metro Staff Directed to Source Revenue Streams for Underfunded Transit Projects**

The Metropolitan Transportation Authority Board (Metro) is seeking innovative ways to finance underfunded transit projects in Los Angeles County. In a motion sponsored by Supervisor Mark Ridley-Thomas, the 13-member Metro board agreed to launch a world-wide search to identify best financing practices used by transit agencies around the globe. Metro staff will now begin to look for ways to raise additional funds to finance approved Metro projects such as a station stop in Leimert Park Village.

The Supervisor's motion, which passed on consent, is based on the "value capture" concept, whereby a portion of the financial benefits gained by property owners near transit projects is returned to local transit agencies and used to offset the costs of infrastructure development.

Commercial, retail, and industrial property owners near public transit projects often acquire long-term benefits, including greater tenant demand, higher rental

rates and higher property value, despite the short term inconvenience and disruption associated with construction.

As part of the motion, Metro staff will report to the board in June with a written document that identifies practices for value capture in transit agencies around the world; the estimated value to property owners near existing Measure R-financed projects, a list of value capture options, and current transit projects that could financially benefit from such programs.

“The ability to capture a portion of the enhanced value associated with these public transportation investments has the potential to secure funding for infrastructure projects currently experiencing financing shortfalls,” said Supervisor Mark Ridley-Thomas. “Leimert Park would be a top contender for value capture funds.”

The Supervisor continued, “I remain committed to secure funding for a Leimert Park Station and believe this avenue has great potential to fund the station. It is my hope that the Metro staff will reveal funding sources that will transform this and other important but underfunded transit projects into a reality.”

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